



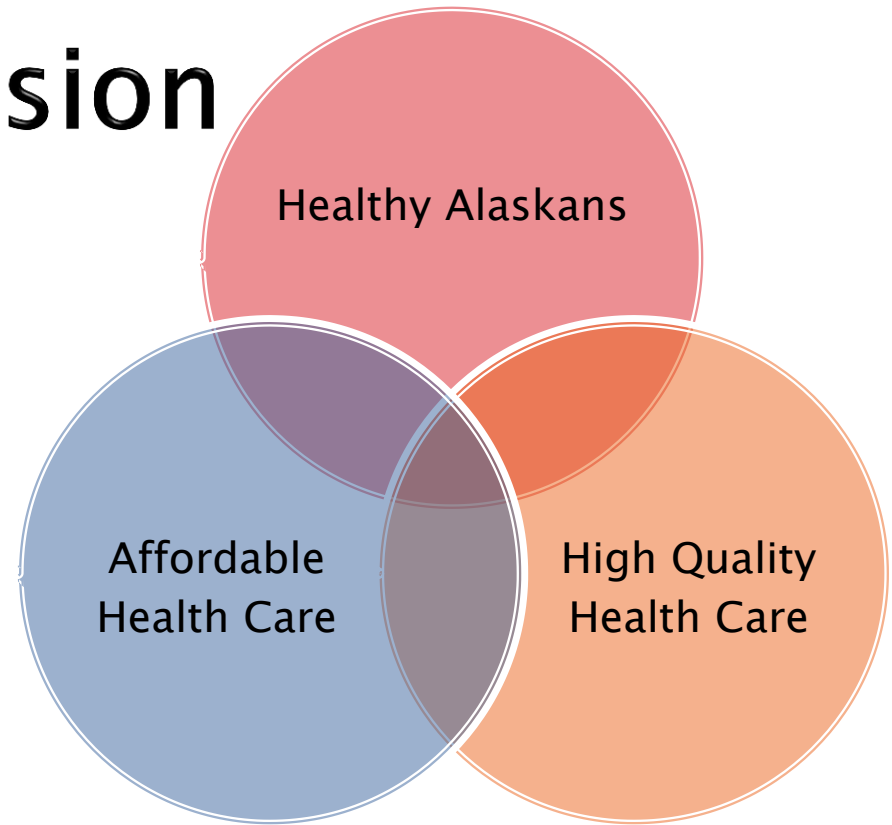
Alaska Health Care Commission

Meeting Discussion Guide
March 7–8, 2013

With Meeting Notes from Brainstorming Session

Commission's Vision

By 2025 Alaskans will be the healthiest people in the nation and have access to the highest quality most affordable health care.



We will know we attained this vision when, compared to the other 49 states, Alaskans have:

1. The highest life expectancy (currently 29th)
2. The highest percentage population with access to primary care (27th)
3. The lowest per capita health care spending (49th)

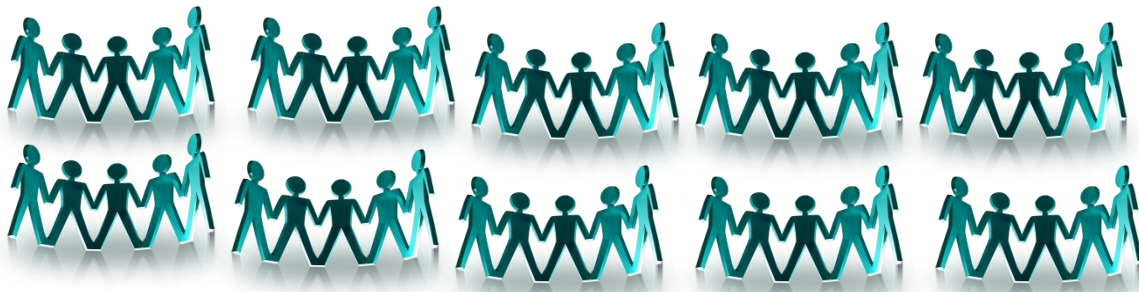


Solutions focused on Value and Health

5% of the U.S. population required 50% of health care spending in 2009*

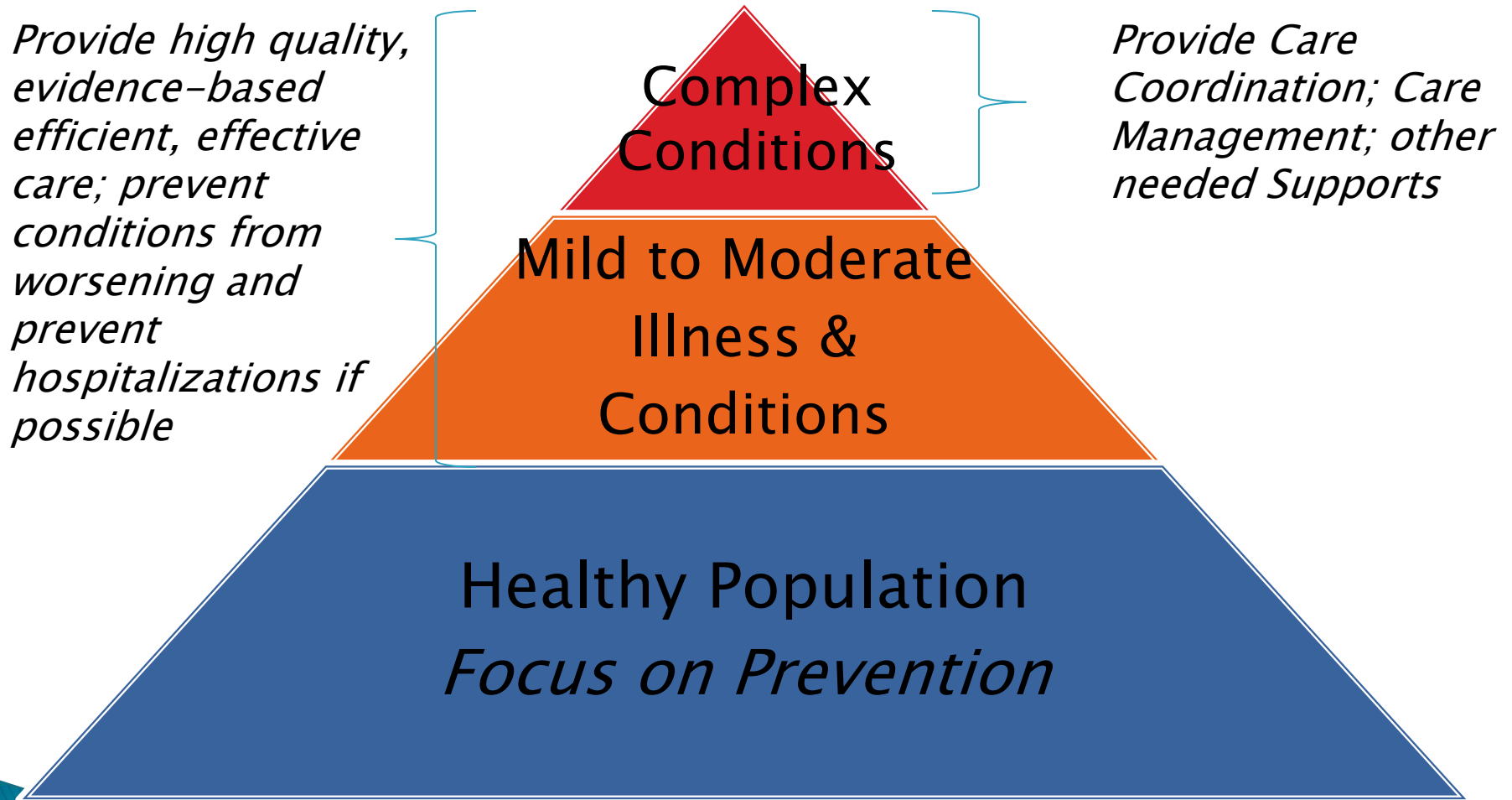


50% of the population required 3% of health care spending in that same year

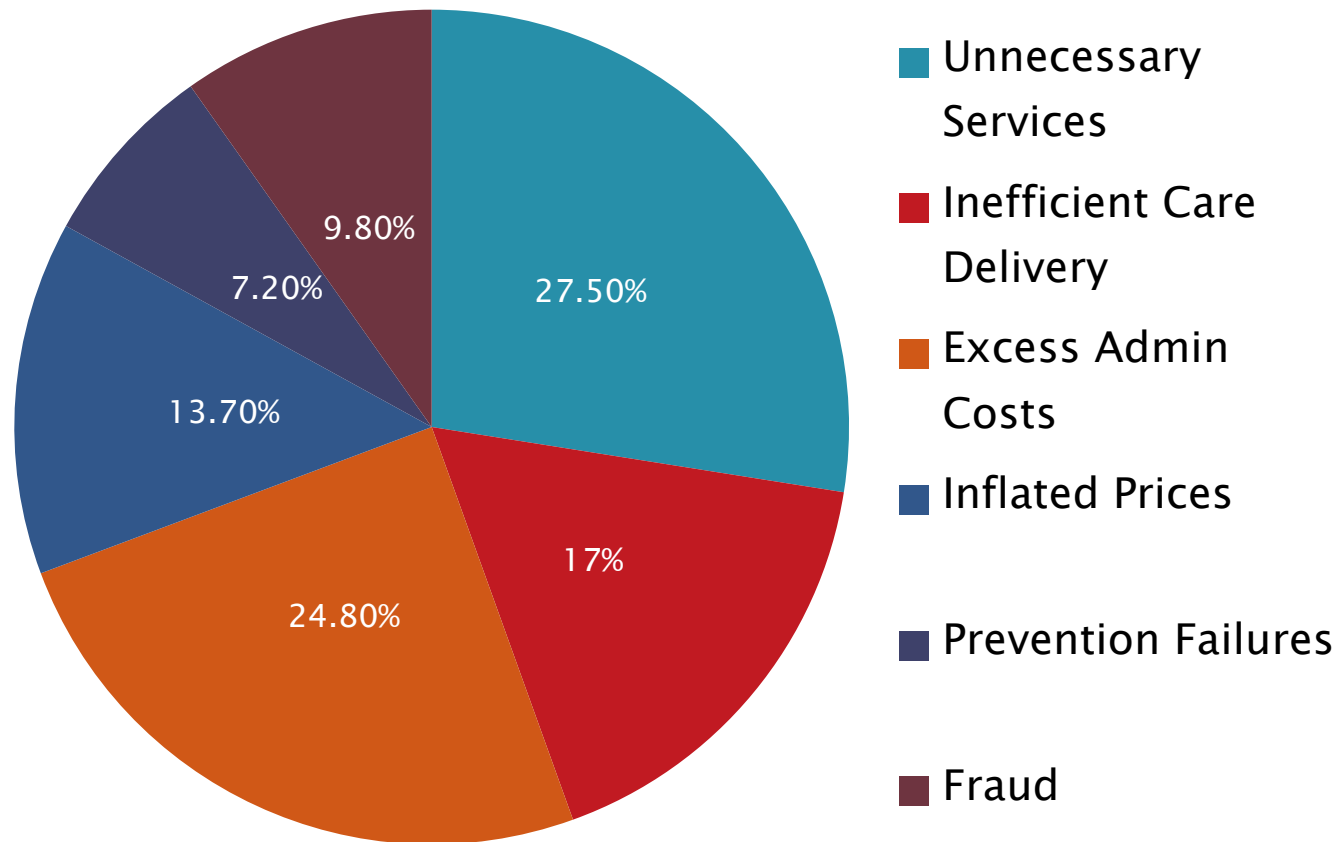


* U.S. Agency for Healthcare Research & Quality/DHHS, January 2012

Focus on Health & Value



Sources of \$750 Billion Annual Waste in U.S. Health Care System



Institute of Medicine, 2012

Best Care at Lower Cost: The Path to Continuously Learning Health Care in America, September 6, 2012



Health Care Transformation Strategy

Design Policies to Enhance the Consumer's Role in Health

Build the Foundation

- *Statewide Leadership*
- *Sustainable Workforce*
- *Health Info Infrastructure*

Through

- *Innovations in Patient-Centered Care*
- *Support for Healthy Lifestyles*

Consumer's
Role in
Health

Innovative Patient-Centered Care and Healthy Lifestyles

ACCESS

VALUE

Statewide
Leadership

Workforce

Health
Information
Infrastructure

HEALTH

Foundation for Transformed System

To Achieve Goals of

- Increased Value
 - Decreased Cost
 - Increased Quality
- Improved Access
- Healthy Alaskans



Recommended Strategies

- I. Ensure the best available evidence is used for making decisions
- II. Increase price and quality transparency
- III. Pay for value
- IV. Engage employers to improve health plans and employee wellness
- V. Enhance quality and efficiency of care on the front-end
- VI. Increase dignity and quality of care for seriously and terminally ill patients
- VII. Focus on prevention
- VIII. Build the foundation of a sustainable health care system

Health Information Infrastructure – preliminary FINDINGS

Meeting Notes from Brainstorming

Session

- ▶ APCD would be a little different in AK because we have more people on federal programs (DOD, VA, IHS)
- ▶ An APCD would be a method for providing transparency that consumers desire
- ▶ APCD would require legislation to mandate payer participation
- ▶ APCD would cost a lot of money – would the estimate we heard be even more for Alaska?
- ▶ Status of MMIS an issue for APCD? Should we wait until MMIS goes live?
- ▶ There are other options besides APCD for providing the transparency that consumers desire
- ▶ Providers need more evidence of uses of data within Alaska
- ▶ States that have had APCD available for a few years haven't seen meaningful utilization of the data yet, and there has been less effect than might have been hoped for
- ▶ Apparent lack of utilization by consumers of price and quality data where available appears to be due to lack of price sensitivity
- ▶ APCD would require all payers – what about self-insured (ERISA covered)
- ▶ Need to understand the nature of the consumer in Alaska – do they want and will they use price and quality data?

Health Information Infrastructure – preliminary FINDINGS

*Meeting Notes from
Brainstorming Session*

- ▶ Choice depends on context of care needs (in urgent scenarios price choice may matter less)
- ▶ Transparency may help improve clinical quality of care (e.g., infections following surgery) may incentivize improvement – if you can't measure it you can't manage/improve it
- ▶ APCD – would require a public education to remind consumers how to access and utilize cost and quality information.
- ▶ Data in and of itself isn't useful, needs to be turned into information
- ▶ Data governance and stewardship is essential to prevent harmful use of the data

Health Information Infrastructure – preliminary FINDINGS

Session

Meeting Notes from Brainstorming

- ▶ “It depends”. What “it” is requires a lot of up front definition.
- ▶ Provider stakeholders need to be included in planning.
- ▶ It might take a statutory mandate to get past HIPAA and anti-trust requirements.
- ▶ Should we invite the non-participating HDD hospitals to present to the Commission their issues?
- ▶ Concerns regarding intrusion into individual privacy and use of individual data to make care decisions...but if the state is paying the bill that's the trade-off
- ▶ CPAs are 10x more trustworthy than insurance people

Health Information Infrastructure – preliminary FINDINGS

Session

Meeting Notes from Brainstorming

- ▶ There needs to be serious training and education regarding health data analytics to ensure appropriate use – what is obvious to the person asking the question isn't obvious to the person pulling and analyzing and reporting the data
- ▶ Potential users of APCD:
 - Consumer
 - SOA/Medicaid and employees
 - Public health
 - Multi-payer payment reform

Health Information Infrastructure – preliminary RECOMMENDATION *Meeting*

Notes from Brainstorming Session

- ▶ Stakeholders need to be involved in APCD planning
- ▶ Hire Dave Hanson to call all the providers in the state and publish their prices
- ▶ HSAs – needed to provide price sensitivity for those with third-party coverage
- ▶ If you can't measure it you can't manage it...individual payers have their own data to develop their own price transparency, but what about the rest of the population?
- ▶ If we don't develop an APCD we don't even have a chance....what is "it"...need the means to measure and improve cost and quality
- ▶ APCD is a good bet for the future because the health care system is moving towards greater patient engagement in bearing costs and risk

Health Information Infrastructure & Transparency Questions

- ▶ Transparency –
 - Do we need greater transparency?
 - If yes – how best to achieve it?
 - APCD? (w/ state legislation mandating reporting by payers)
 - State legislation mandating providers to publicly report?
 - Both?
 - Other?
- ▶ APCD –
 - Benefits?
 - Challenges/Limitations?
 -
- ▶ HDD –

Transparency – preliminary FINDINGS

Meeting Notes from Brainstorming Session

- ▶ Not just consumers who desire – “payers” including consumers
- ▶ There can be better “steerage” of patients with better knowledge about price, quality,
- ▶ Providers are not resistant to sharing the data, but there is difficulty with providing an estimate, but moving towards range of potential price – need to be careful to not over-commit; but this isn’t asking too much of providers to ask them to estimate the cost for the patient; as starting point reasonable to provide average and range of cost
- ▶ Example – Juneau PC clinic providing a global charge for low-risk OB care; pain clinic example as well
- ▶ Providers are also interested in knowing what prices are for their patients when referring them for services – important for shared decision-making
- ▶ Anti-trust rules prohibit

Transparency – preliminary Rec

Meeting Notes from Brainstorming Session

- ▶ Provider mandate to make prices public?
 - Try voluntary
- ▶ WA state requires hospitals to mandatorily report average cost per age mix-adjusted discharge
 - Pat will provide copy and Deb will share with the group
- ▶ Can get average cost of discharge from Medicaid – hospitals use it to adjust their prices – providers use the information that is available
- ▶ It's hard work to get at meaningful price transparency
- ▶ Need episode of treatment cost – do we need an all-payer claims database to get there?

Transparency

Meeting Notes from Brainstorming Session

- ▶ Ideal – patient–clinician shared decision–making, including cost
- ▶ What can we do so consumer can make an informed decision? Health plan administrators are going to be data mining

APCD

Meeting Notes from Brainstorming Session

- ▶ What is considered an episode of care? Jeff will try to get it (an example for knee arth) and Deb will provide it to the group.
- ▶ What has the benefit been to the states that have implemented APCDs? Short vs. long term benefit? How many years will it take to begin seeing improvement trends?
- ▶ Cost–benefit analysis; how many people have utilized APCD data – what’s the cost per query?
- ▶ Commercial plans have examples of how they have begun using this type of data to drive improvement
- ▶ Without an APCD we can’t move forward. With it we can at least try.



NEXT STEPS

▶ Commission's 2013 Plans

- Continue learning about current challenges
 - Health Insurance Costs & Cost Drivers
 - Health Care Accounting & Pricing 101
 - Hospital Readmission Rates (quality metrics; Pay-for-Performance)
 - Oral Health & Dental Services
 - Track Federal Health Care Reform
- Strategies for further recommendations
 - Evidence-Based Medicine
 - Price & Quality Transparency
 - Employer Engagement
 - Health Information Infrastructure



2013 Meeting Schedule

- ▶ Thursday, March 7 – Friday, March 8
- ▶ Thursday, June 20 – Friday, June 21
- ▶ Wednesday, August 21 – Thursday, August 22
- ▶ Thursday, October 10 – Friday, October 11
- ▶ Friday, December 6